

STATE OF CALIFORNIA
CALIFORNIA ENERGY COMMISSION

Business Meeting Minutes

of

June 11, 2003

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The meeting was called to order by Chairman Keese at 1:05 p.m.

The Pledge of Allegiance was led by Commissioner Boyd.

William J. Keese	Present
Robert Pernell	Absent
Arthur Rosenfeld	Present
James D. Boyd	Present
John L. Geesman	Present
Margaret Kim, Ex-Officio	Absent

1. CONSENT CALENDAR. (Items on the Consent Calendar will be taken up and voted on as a group. A Commissioner may request that an item be discussed and moved to later on the agenda)
 - a. UNIVERSITY OF CALIFORNIA, DAVIS, INSTITUTE OF FOOD AND AGRICULTURE RESEARCH. Possible approval of Work Authorization #WA-007 to provide technical monitoring and management of the PIER program in Food Processing Technology, not to exceed \$410,412. (PIER funded)
 - b. ALZETA CORPORATION. Possible approval of Work Authorization #WA-008, to demonstrate energy efficient ultra low NOx burner control technology, not to exceed \$357,600. (PIER funded)
 - c. DEL MONTE. Possible approval of Work Authorization #WA-009 to test waste heat driven chilling technology for can cooker/cooler optimization, not to exceed \$299,701. (PIER funded)
 - d. UNIVERSITY OF CALIFORNIA, DAVIS. Possible approval of Work Authorization #WA-010 to develop and test infra red drying of rice to improve energy efficiency and disinfestations, not to exceed \$256,084. (PIER funded)
 - e. ORMAT. Possible approval of Work Authorization #WA-011 to demonstrate waste heat driven organic Rankine cycle for electricity generation in the food industry, not to exceed \$350,000. (PIER funded)
 - f. LAWRENCE BERKELEY NATIONAL LABORATORY. Possible approval of Work Authorization #WA-012 to develop an integrated benchmarking & energy & water management tool for the wine industry, not to exceed \$202,000. (PIER funded)
 - g. ONSITE ENERGY CORPORATION. Possible approval of Work Authorization #WA-013 to demonstrate waste heat driven absorption chilling in the food industry, not to exceed \$487,672. (PIER funded)
 - h. PENNSYLVANIA STATE UNIVERSITY. Possible approval of Work Authorization #WA-014 to improve heat exchanger surfaces with reduced fouling, not to exceed \$358,978. (PIER funded)

- i. CALIFORNIA POWER AUTHORITY. Possible approval of Contract 400-02-010 for \$20,000 to continue the Commission's access to specialized tax and bond counsel to implement and comply with various provisions of the new ECAA revenue bond program for a period of one year. (ECAA funded)
- j. RENEWABLE ENERGY PROGRAM. Possible approval of Renewable Committee recommendation to extend from December 31, 2001 to proposed on-line date of December 31, 2003, conditional funding awards under the New Renewable Resources Account for the Riverside County Waste management Department's Badland Landfill Gas Project (2 megawatts) and Coachella Landfill Gas Project (.95 megawatts).
- k. SUTTER ENERGY CENTER (Docket No. 97-AFC-2C). Calpine proposes to amend the Commission Decision to increase shutdown emission limits and the length of time allowed for startup. The proposed changes would also establish a single set of emission limits for all other operational scenarios and reconcile minor inconsistencies with local and federal permits. Daily and annual emission limits would remain unchanged.
- l. Gilroy City LM 6000 Project (GEC) (01-EP-08C) - Possible approval of petition to change ownership from Calpine Corporation to Gilroy Energy Center, LLC a wholly owned subsidiary of Calpine Corporation.
- m. Calpine King City LM 6000 Project (01-EP-6C) - Possible approval of petition to change ownership from Calpine Corporation to Gilroy Energy Center, LLC a wholly owned subsidiary of Calpine Corporation.

Items 1(a-h) were removed from the Consent Calendar. The Commissioners then voted on Items 1(i-m) on Consent. Commissioner Geesman moved and Commissioner Rosenfeld seconded approval of the Consent Calendar. The vote was unanimous. (4-0)

Items 1(a-h) were taken up as one item. Commissioner Rosenfeld moved and Commissioner Rosenfeld seconded of all of the Work Authorizations for the PIER program. The vote was unanimous. (4-0)

- 2. EAST ALTAMONT ENERGY CENTER. Consideration and possible approval of the Revised Presiding Member's Proposed Decision (RPMPD) on the Application for Certification for the East Altamont Energy Center. Docket No. 01-ARC-4)

This Item was moved to the June 25, 2003 Business Meeting.

3. ORDER INSTITUTING RULEMAKING. Consideration of Order Instituting Rulemaking to implement the Energy Commission's responsibilities under Health and Safety Code section 42800 et seq. regarding the California Climate Action Registry (Registry). The rulemaking shall consider, but shall not necessarily be limited to, establishing processes to identify and qualify third-party organizations that the state approves to provide technical assistance and advice and/or certify the emission results of entities that participate in the Registry.

Commissioner Boyd moved and Commissioner Rosenfeld seconded approval of the Order Instituting Rulemaking. The vote was unanimous. (4-0)

4. RENEWABLE ENERGY PROGRAM. Possible approval of a Petition for Reconsideration by FPL Energy LLC and Windland, Inc. regarding the Renewables Committee's recommended cancellation of the Wind Ridge, LLC Project (30 megawatts) and the Windland, Inc. Project (19.5 megawatts), and consequent approval of on-line date extension for both projects from December 31, 2001 to December 31, 2003.

Commissioner Geesman moved and Commissioner Boyd seconded approval of the Petition for Reconsideration. The vote was unanimous. (4-0)

5. RENEWABLE ENERGY PROGRAM. Possible approval of Renewables Committee (a) denial of petition for extension of on-line date from December 31, 2001 to December 15, 2004 by Riverside County Waste Management Department's Lamb Canyon Landfill Gas Project (1 megawatt) and (b) recommendation to reduce the project's funding award by 1/60 for each month after January 1, 2002 that the project has not come on-line.

Commissioner Geesman moved and Commissioner Boyd seconded approval of a denial of the Petition. The vote was unanimous. (4-0)

6. RENEWABLE PORTFOLIO STANDARD IMPLEMENTATION. Possible adoption of *Decision on Phase I Implementation Issues – Final Committee Report* (Pub No 500-03-023FD). (Available on-line at: www.energy.ca.gov/portfolio/documents/index/html). The RPS Phase I implementation issues are the definition of eligible renewable resources and incremental geothermal generation and determining eligibility and out-of-state resources.

Commissioner Geesman moved and Commissioner Boyd seconded approval of the adoption of the Renewable Portfolio Standard Implementation, Decision on Phase I Implementation Issues – Final Committee Report. The vote was unanimous. (4-0)

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7. SMALL GRANT PROGRAM. Possible approval of nine grant projects totaling \$674,316 under the Public Interest Energy Research program funding of grants under the Energy Innovations Small Grant Program.
- EtaTech, Inc., \$74,998, Radio Frequency Electrostatic Ignition System Feasibility Demonstration
 - UC San Diego, \$75,000, Emission Monitoring of Nitric Oxide with a Mid-IR Solid State Laser
 - UC Riverside, \$75,000, Nanostructured electrodes for PEM fuel cells
 - Texas A&M University, \$75,000, A novel integrated doubly-fed electric alternator/active filter (IDEA) for Wind Power Applications
 - Ekster and Associates, \$75,000, Development of universal software for dissolved oxygen control in the activated sludge process
 - Energy Savers Intl., \$75,000, Self-optimizing controllers for air conditioners
 - Powerline Control Systems, Inc., \$74,318, New powerline control technology for lighting and HVAC
 - TES Technology Inc., \$74,000, Demonstration of energy efficiency enhancement in refrigeration appliances by incorporation of practical low-cost thermal energy storage
 - Sunnyside Technologies, Inc., \$74,000, Carbon Catalyzed Natural Gas Processing

Commissioner Rosenfeld moved and Commissioner Geesman seconded approval of the nine grant projects totaling \$674,316. The vote was unanimous. (4-0)

8. NEW BUILDINGS INSTITUTE. Possible approval of Contract 400-02-009 for \$25,333 to support preparation of a supplement for the 2005 nonresidential manual on systems acceptance testing and the development of the forms for the acceptance tests. (Department of Energy Grant 21079 funded)

Commissioner Boyd moved and Commissioner Rosenfeld seconded approval of Contract 400-02-009. The vote was unanimous. (4-0)

9. WESTERN GOVERNOR'S ASSOCIATION. Possible approval of Contract 150-01-009 Amendment 1, to receive \$187,848 for continuing planning and preparation for future transuranic nuclear waste shipments in California.

Commissioner Boyd moved and Commissioner Rosenfeld seconded approval of Contract 150-01-009 Amendment 1. The vote was unanimous. (4-0)

10. GOVERNOR'S OFFICE OF EMERGENCY SERVICES. Possible approval of Contract 150-01-008 Amendment 1, for \$176,848 to continue emergency response activities and emergency response preparation for state and local responders and hospitals along Waste Isolation Pilot Plant (WIPP) shipment routes in California.

Commissioner Boyd moved and Commissioner Rosenfeld seconded approval of Contract 150-01-008 Amendment 1. The vote was unanimous. (4-0)

11. STEPHEN P. TEALE DATA CENTER. Possible approval of Contract 200-00-003 Amendment 1, for \$300,000 to extend the contract and augment the budget. This support includes various programs and communication services, including data storage on various mediums, special printing, LAN technical support and data processing for the Accounting and Personnel Offices, dedicated equipment and communication lines for Internet access.

Commissioner Geesman moved and Commissioner Boyd seconded approval of Contract 200-00-003 Amendment 1. The vote was unanimous. (4-0)

12. MCNEIL TECHNOLOGIES. Possible approval of Contract 500-00-031 Amendment 1, for \$531,980 to determine the performance characteristics and best locations for renewable distributed generation technologies that will provide high strategic value to California's electricity system as well as high public benefits for using renewable generation systems through 2017 as necessary to meet requirements of the Renewable Portfolio Standard (SB1078).

Commissioner Geesman moved and Commissioner Boyd seconded approval of Contract 500-00-031 Amendment 1. The vote was unanimous. (4-0)

13. UNIVERSITY OF CALIFORNIA, OFFICE OF THE PRESIDENT, CIEE. Possible approval of Contract 500-99-013 Amendment 2, to add \$10,000,000 and two years and nine months to the existing contract to support the Public Interest Energy Research Program. (PIER funded)

Commissioner Rosenfeld moved and Commissioner Geesman seconded approval of Contract 500-99-013 Amendment 2. The vote was unanimous. (4-0)

14. ASPEN ENVIRONMENTAL GROUP. Possible approval of Contract 700-02-004 for \$20,000,000 to provide engineering/environmental technical assistance for the energy facilities licensing program staff when they review requests from developers to construct energy facilities and to provide technical assistance in electricity, transmission system engineering, natural gas, siting trends and policy planning. (ERPA funded)

Commissioner Geesman moved and Commissioner Boyd seconded approval of Contract 700-02-004. The vote was unanimous. (4-0)

15. Minutes

Commissioner Boyd moved and Commissioner Rosenfeld seconded approval of Minutes from the May 28, 2003 business meeting. The vote was unanimous. (4-0)

16. Commission Committee and Oversight

No reports were given.

17. Chief Counsel's Report

Ms. Jennifer Tachera from the Chief Counsel's office presented the monthly Intervention Report.

18. Executive Director's Report

Executive Director Bob Therkelsen provided a budget update: the Commission's budget has been approved by the legislative Conference Committee; thus far, the Commission's budget has been reduced by \$41 million.

19. Public Adviser's Report

No report was given.

20. Public Comment

No comments were received.

The meeting was adjourned at 1:45 p.m.

BETTY A. McCANN
Secretary to the Commission